

Economic Freedom vs Quality of Life

A Statistical Analysis

Data Sources:

- Heritage Foundation Economic Freedom Index (2024)
 - World Bank Development Indicators
- Transparency International Corruption Perceptions Index
 - UN Human Development Index
 - World Happiness Report
 - Global Peace Index
- Economist Intelligence Unit Democracy Index

Analysis of 75 countries

Summary of Correlations with Economic Freedom

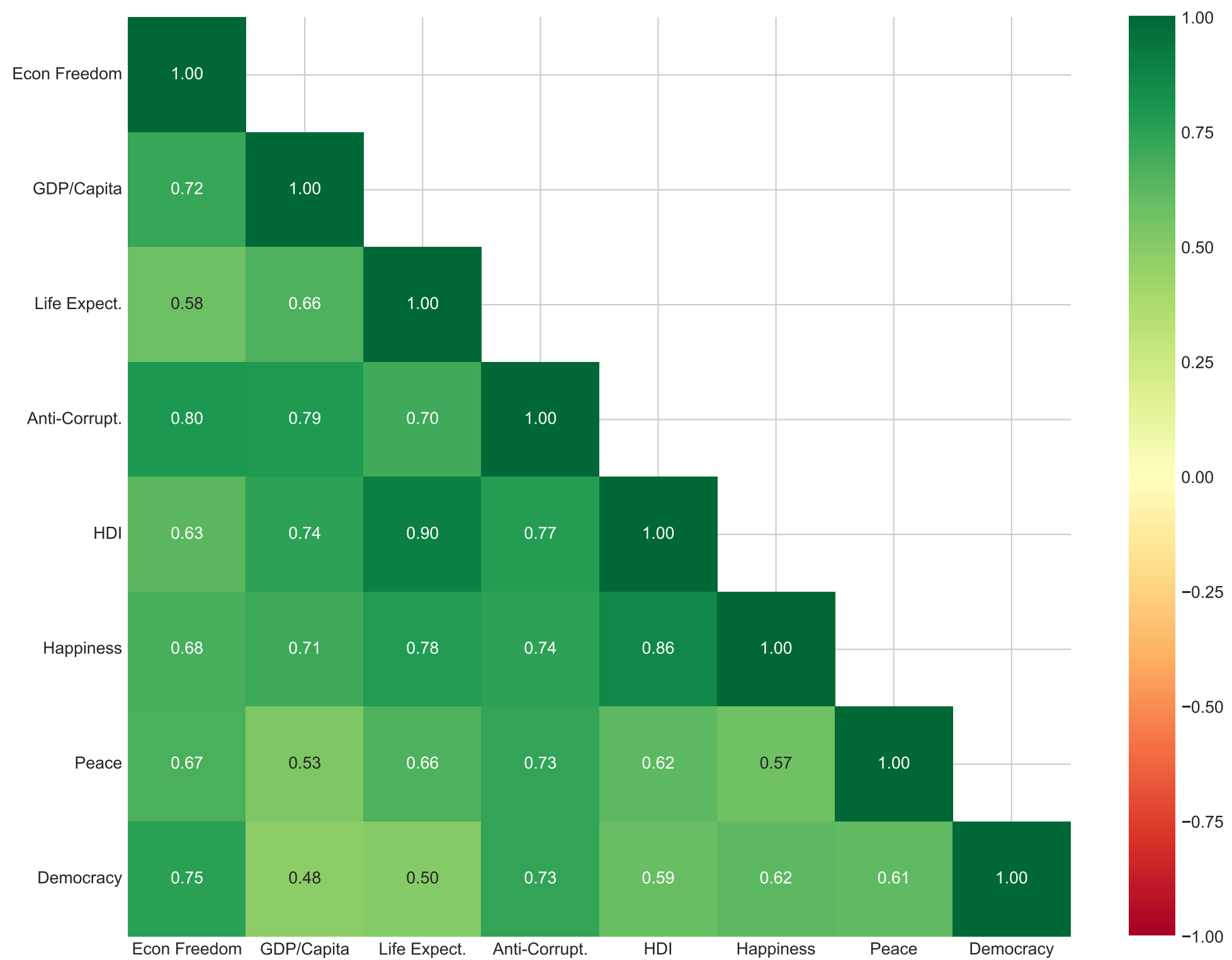
Higher Economic Freedom is Associated With:

- **Anti-Corruption Score: $r = 0.797 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **Democracy Score: $r = 0.753 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **GDP per Capita (USD): $r = 0.720 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **Happiness Score: $r = 0.676 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **Peace Score: $r = 0.666 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **Human Development Index: $r = 0.632 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **Life Expectancy (years): $r = 0.575 \rightarrow \text{HIGHER}$ ($p < 0.001$) *****
- **Infant Mortality (per 1000): $r = -0.509 \rightarrow \text{LOWER}$ ($p < 0.001$) *****

Interpretation Guide:

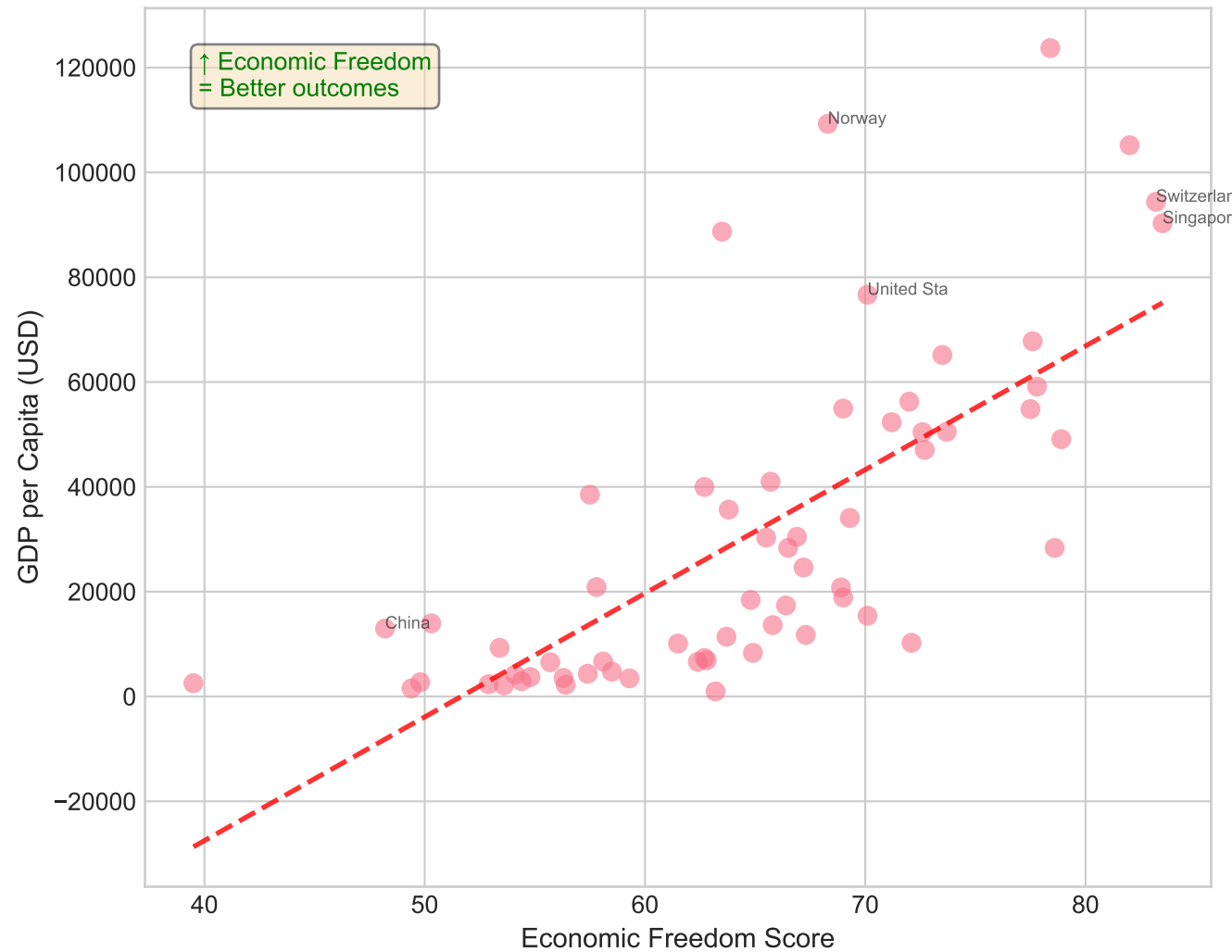
- Strong positive association ($r > 0.3$)
- Weak positive association ($0 < r < 0.3$)
- Weak negative association ($-0.3 < r < 0$)
- Strong negative association ($r < -0.3$)

Correlation Matrix: Economic Freedom & Quality of Life Indices



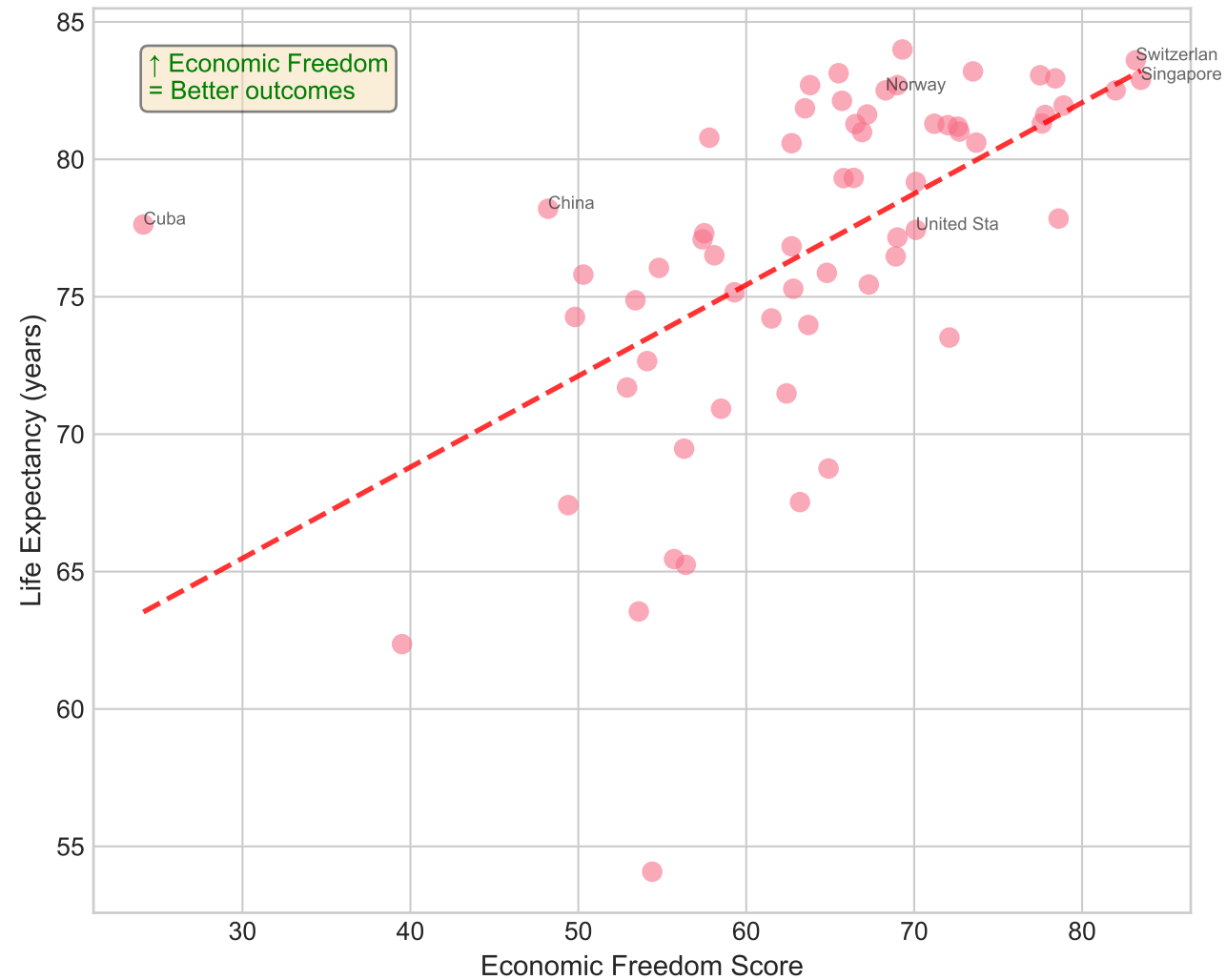
Economic Freedom vs GDP per Capita (USD)

$r = 0.720^{***}$



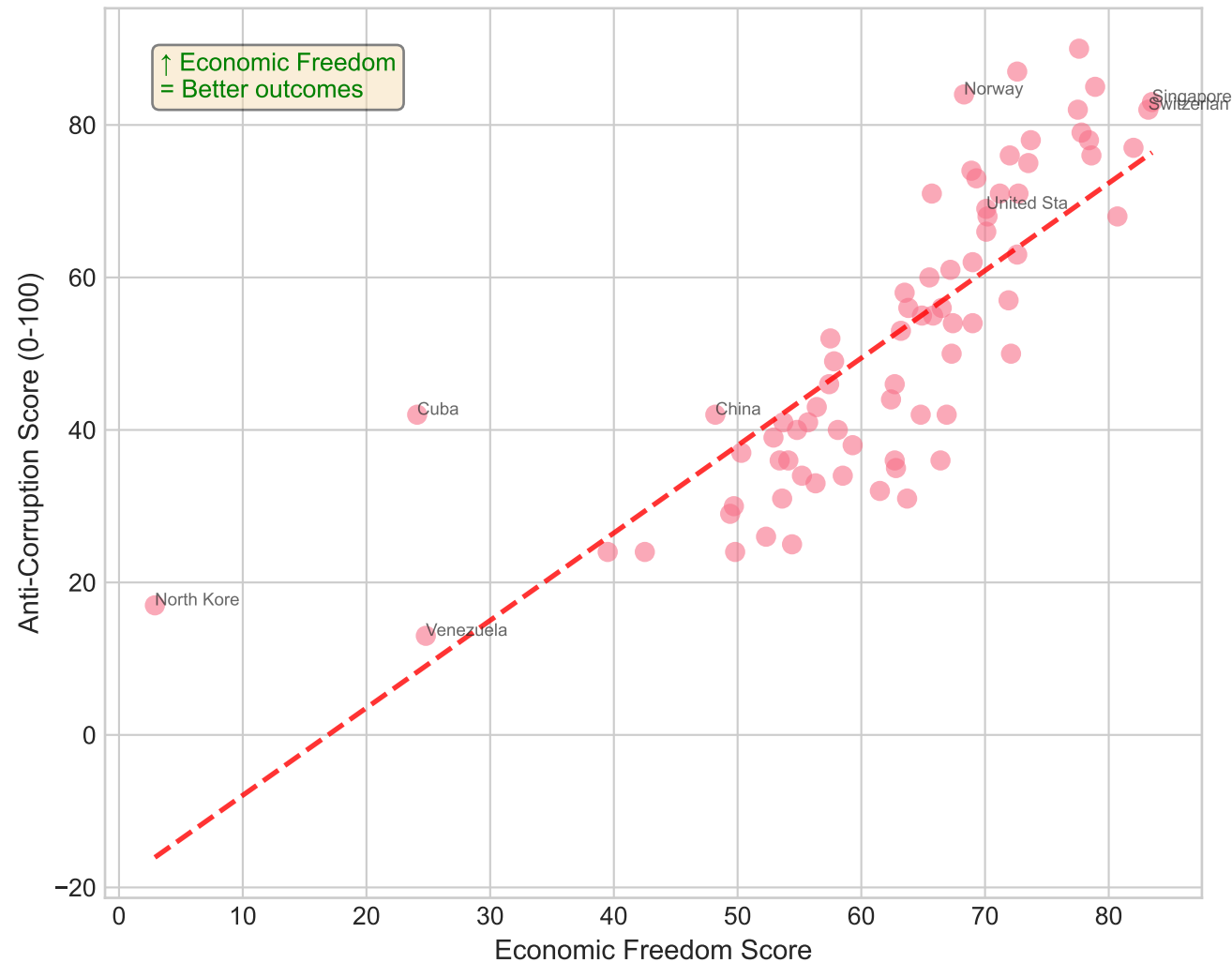
Economic Freedom vs Life Expectancy (years)

$r = 0.575^{***}$



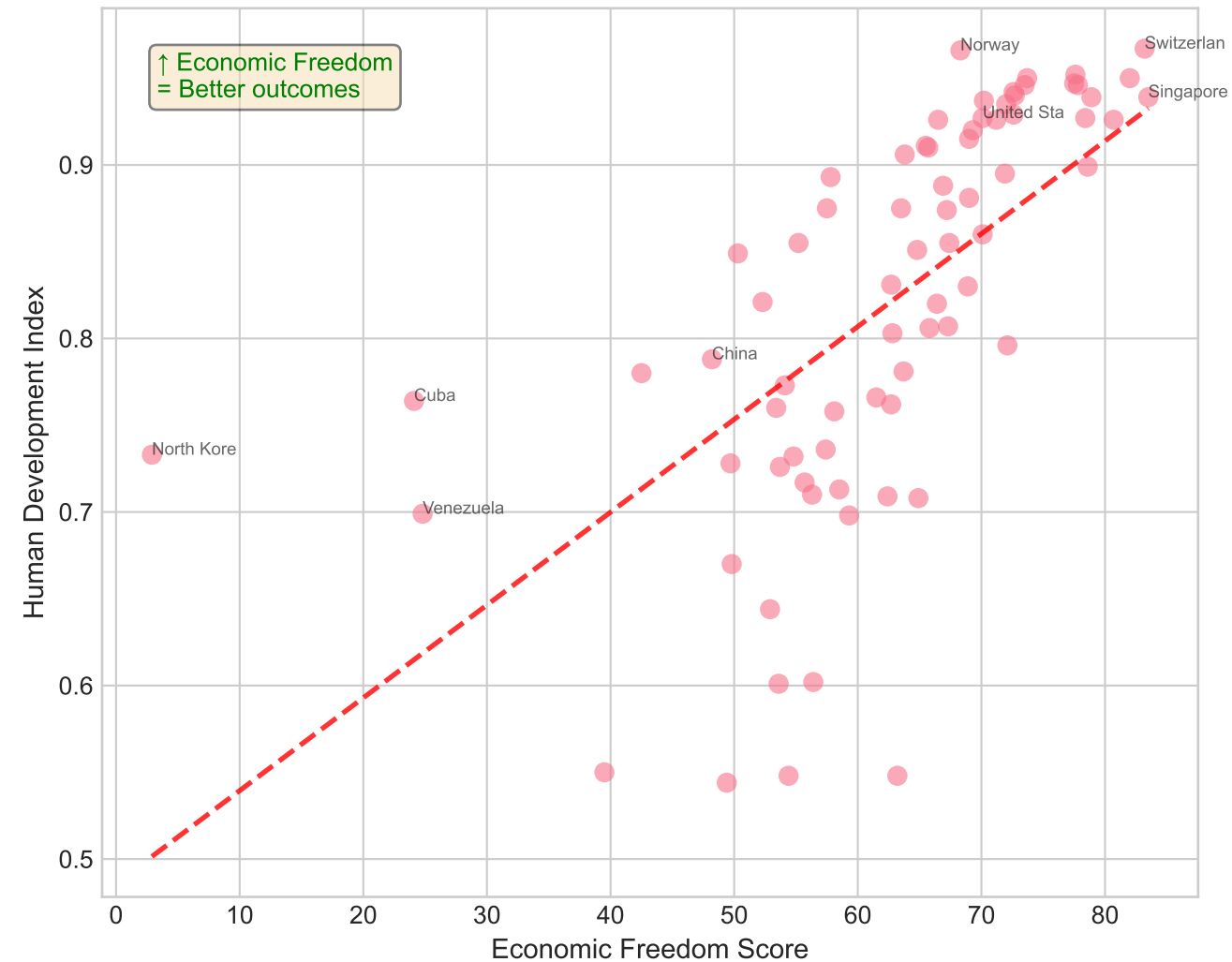
Economic Freedom vs Anti-Corruption Score (0-100)

$r = 0.797^{***}$



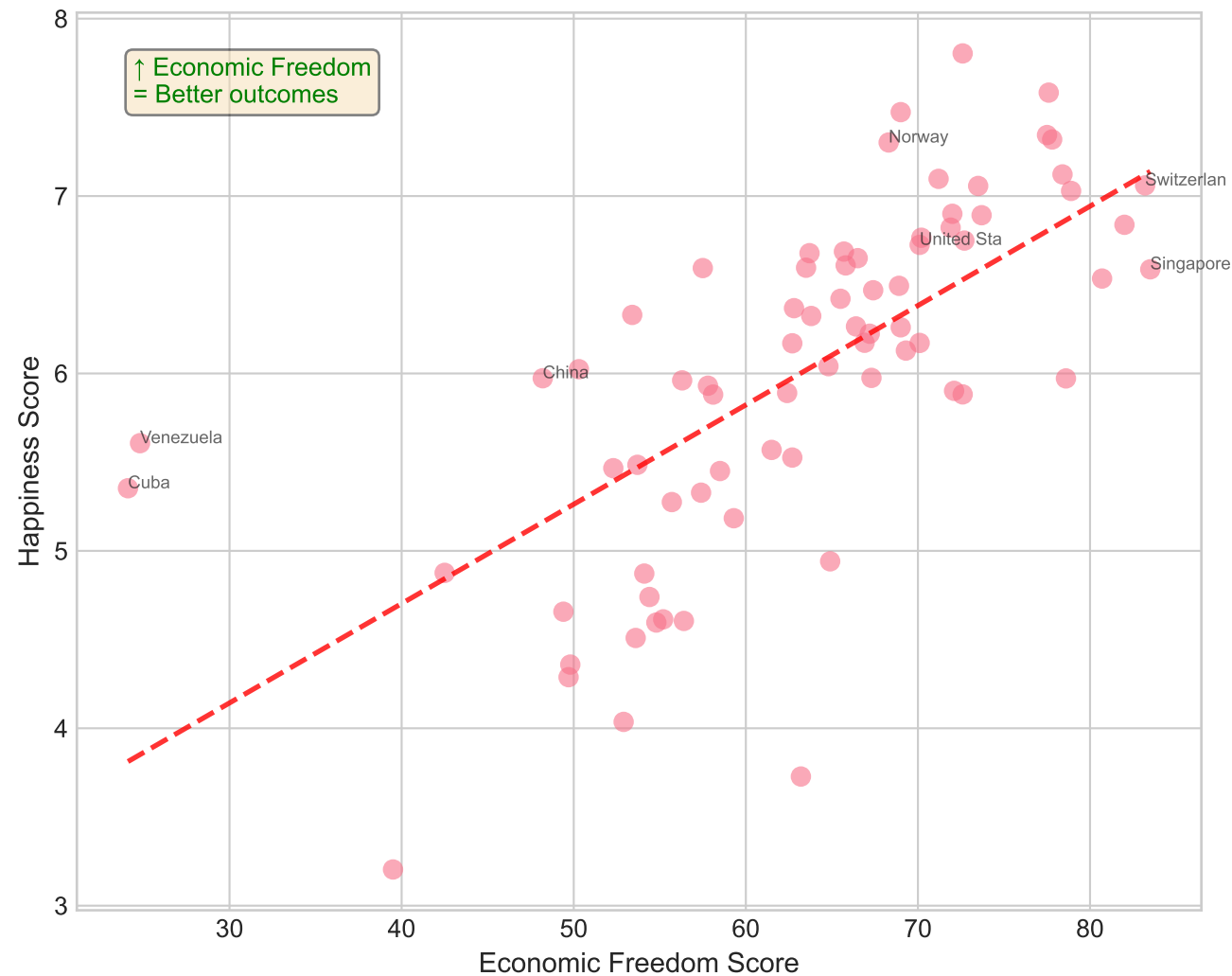
Economic Freedom vs Human Development Index

$r = 0.632^{***}$



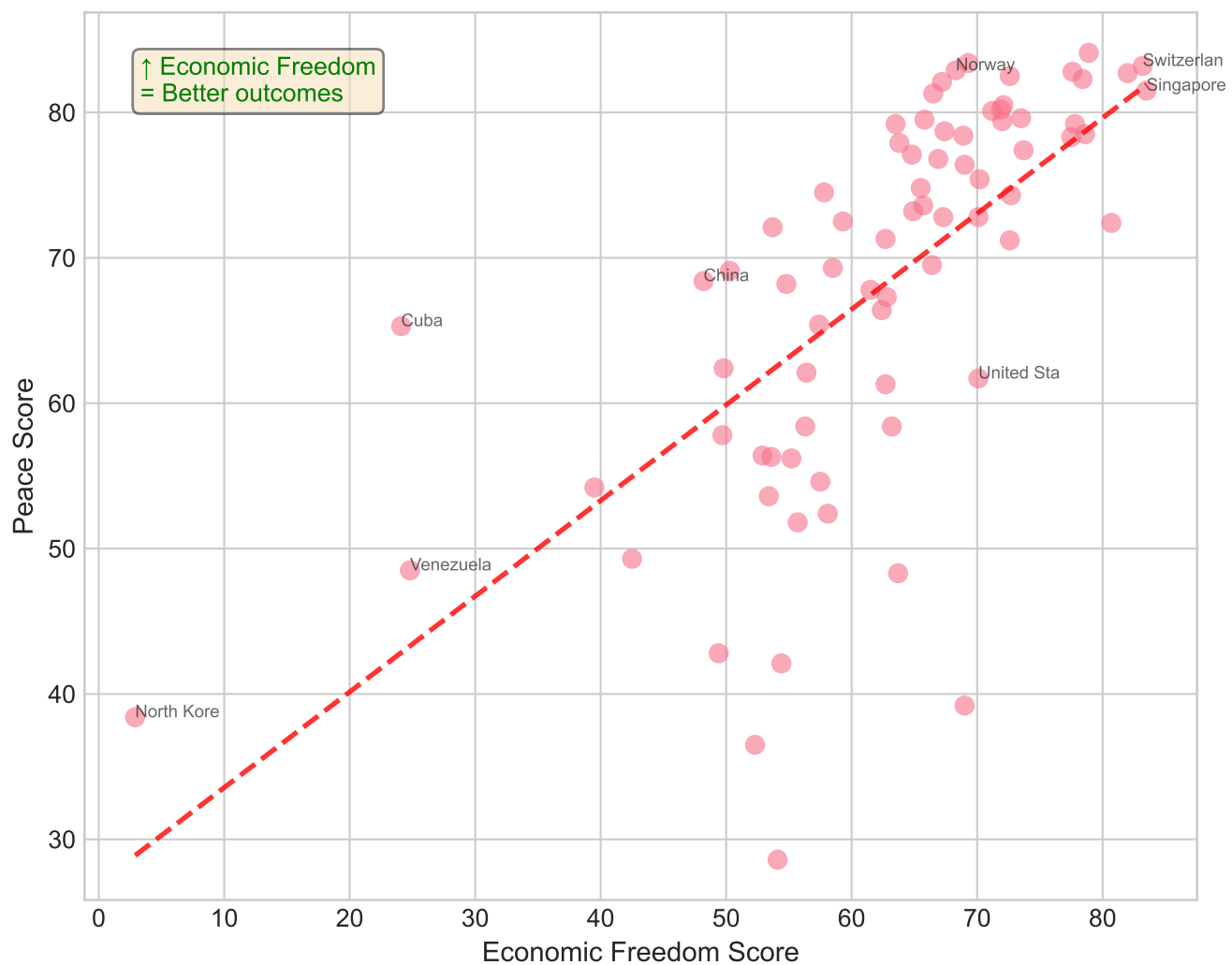
Economic Freedom vs Happiness Score

$r = 0.676^{***}$



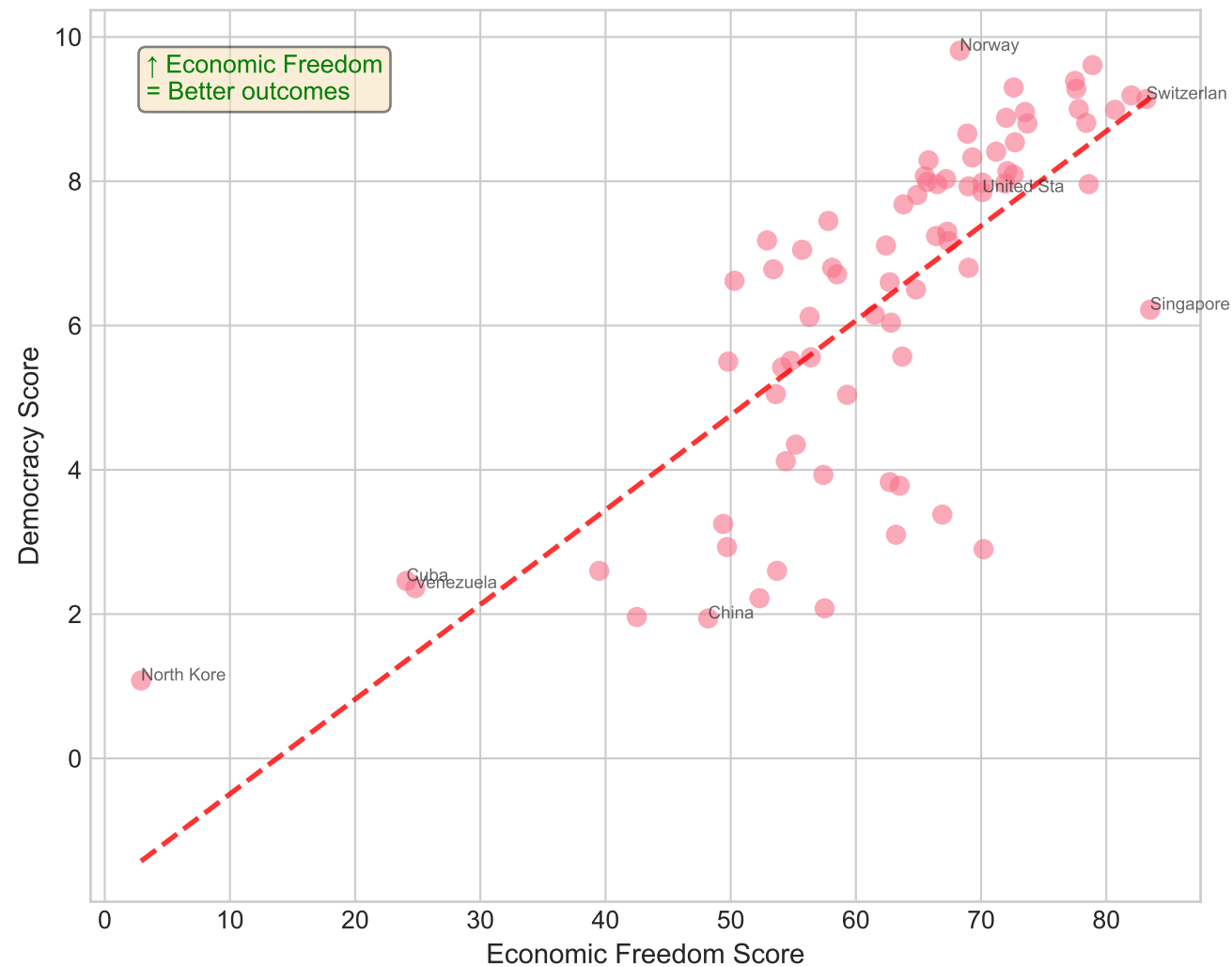
Economic Freedom vs Peace Score

$r = 0.666^{***}$



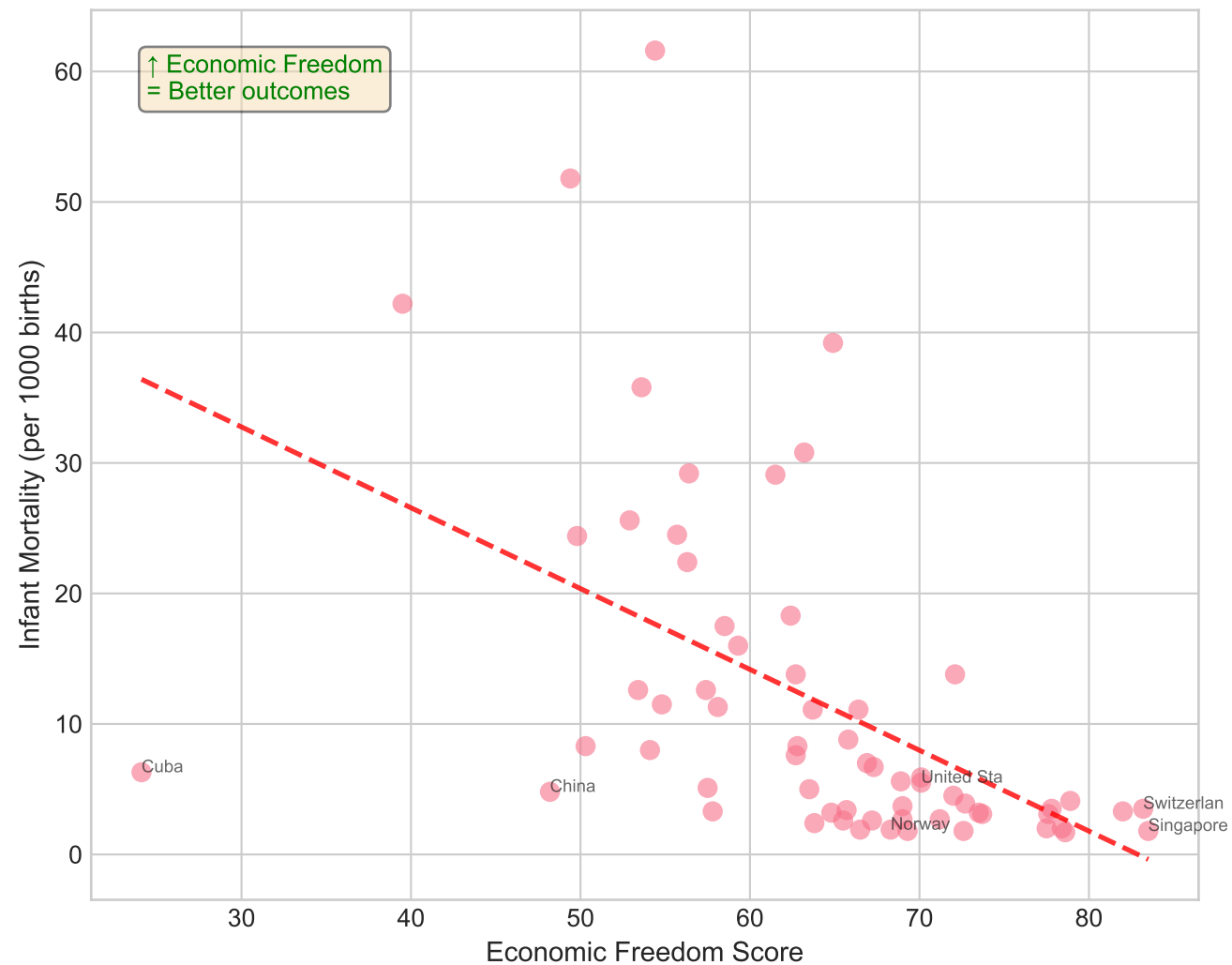
Economic Freedom vs Democracy Score

$r = 0.753^{***}$

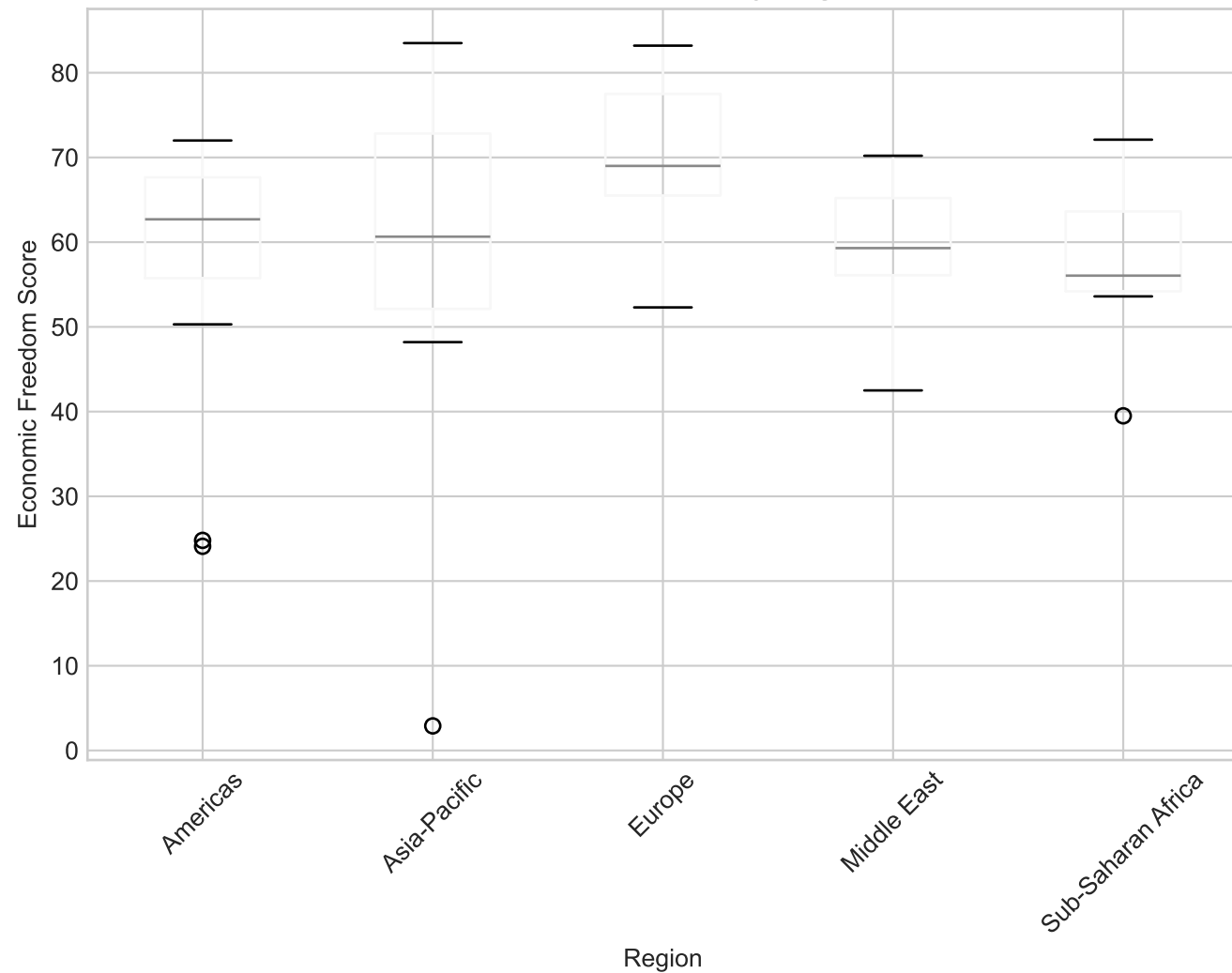


Economic Freedom vs Infant Mortality (per 1000 births)

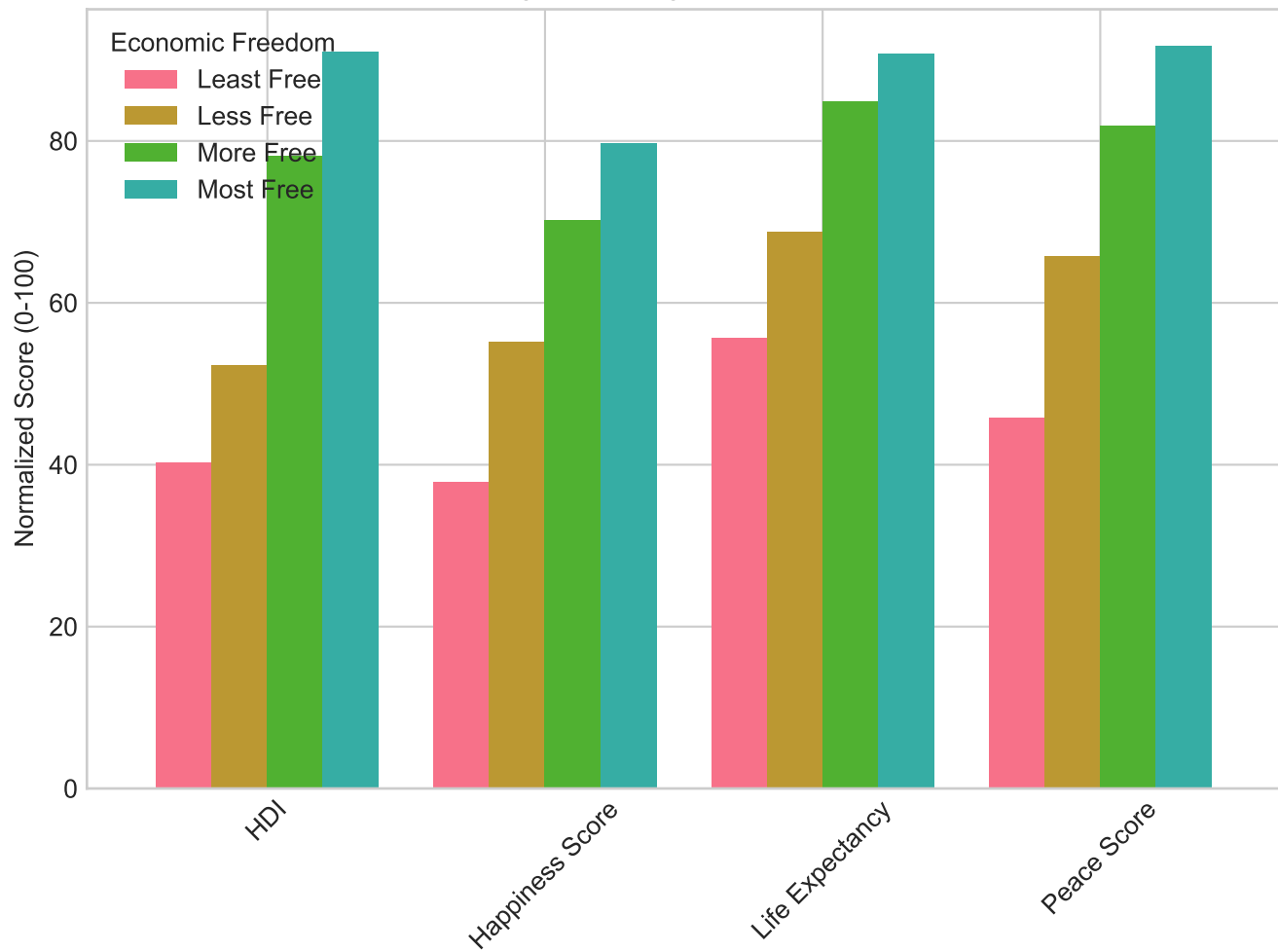
$r = -0.509^{***}$



Economic Freedom by Region



Normalized Quality of Life by Economic Freedom Quartile



Conclusions

OVERALL FINDING:

Out of 8 quality-of-life indices analyzed:

- 8 show POSITIVE correlation with economic freedom
(higher economic freedom = better outcomes)
- 0 show NEGATIVE correlation with economic freedom
(higher economic freedom = worse outcomes)
- 0 show no statistically significant relationship

INTERPRETATION:

The data suggests that greater economic freedom is associated with better outcomes across most measured quality-of-life indices.

Countries with higher economic freedom scores tend to have:

- Higher Anti-Corruption Score
- Higher Democracy Score
- Higher GDP per Capita (USD)
- Higher Happiness Score
- Higher Peace Score
- Higher Human Development Index
- Higher Life Expectancy (years)
- Higher Infant Mortality (per 1000)

IMPORTANT CAVEATS:

- Correlation does not imply causation
- Many confounding variables exist (history, geography, culture)
- Economic freedom indices have methodological limitations
- Data availability varies by country